

Presentation of the SaMoTer-Veronafiery Outlook, developed in collaboration with Centro Studi Prometeia

EARTHMOVING & CONSTRUCTION MACHINERY: OUT OF THE CRISIS IN TWO YEARS' TIME

The Observatory of national and world market trends for the next two years was outlined yesterday at Veronafiery during the first edition of SaMoTer Day, a training and guidance event focusing on opportunities and trends in the building and construction machinery market.

Verona, 11 December 2015 – The **earth moving machinery market** can expect the recovery to start in 2016. Progressive resumption is forecast next year on a global scale which will be consolidated in 2017, with total sales of 880,000 units, up by 33% compared to estimated results for 2015. There will be a favourable trend over the next two years for the sector in Italy which, following the vertical collapse of 2007 (-72%), seeks to close 2017 with 12400 units, up 44.8% over the performance in 2015.

These forecasts for the sector were presented by Veronafiery through the new **SaMoTer-Veronafiery Outlook** event organised in collaboration with **Prometeia**, an international economic consulting and research firm. The results of the Observatory analysis were presented yesterday during the first **SaMoTer Day**, the training and guidance event focusing on opportunities and trends in the building and construction machinery market in Italy and world-wide (www.samoter.it).

The initiative is one of the run-up events leading to the appointment with the 30th edition of **SaMoTer** (22-25 February 2017) - Veronafiery's triennial show dedicated to the **construction equipment sector** held in conjunction with **Asphaltica**, the bitumen and road infrastructure event organised together with Siteb (Italian Bitumen, Asphalt and Road-Building Association), and **Transpotec Logitec**, the road transport and logistics appointment by Fiera Milano.

"SaMoTer Day provides companies with an effective market intelligence tool that helps them respond to rapidly changing international business scenarios," said Giovanni Mantovani, CEO & Director General of Veronafiery –. The signals coming from the earth moving sector for the next two years are encouraging and we are consequently already working to make SaMoTer 2017 even more useful for companies who want to catch and benefit from this recovery."

The 2017 edition of SaMoTer, in addition to its exhibition and commercial aspects, will also focus on the **management and prevention of environmental emergencies**, with thematic focus meetings dealing with on land consolidation sites and the Government #italiasicura plan which envisages investments of over 7 billion euros and 3500 different projects.

The Inaugural Conference of SaMoTer Day saw the CEO & Director General of Veronafiery joined by Michele Turrini, President of Siteb, Giuseppe Garri, Transpotec Logitec exhibition manager, and Roberto Paoluzzi, Director of Cnr-Imamoter (National Research Council Institute).

SAMOTER-VERONAFIERE OUTLOOK: ANNUAL REPORT AND FORECASTS FOR THE FUTURE

The global market for **excavators, concrete plant, drilling, crushing and asphaltting machinery, cranes and site vehicles** is still affected by the vertical collapse (-48%) in the two-year period 2008-2009. 2015 was still a tough year of a global scale: in the first nine months of the year, 61,000 earthmoving fewer earth moving machines were sold (-11%) compared to the same period in 2014. In terms of macro-areas, growth was only seen in **India**

(63,000 units) and **North America** (148,000 units). Matters were worsened by the bursting of the **Chinese "bubble"** (-37%) that in 2011 took one third of all international sales and the situation in **Russia** (-70%). Despite the positive development trend for construction activity, Centro Studi Prometeia estimates that the year will close with a loss of 9%.

The good news for the sector – again according to the analysis in the SaMoTer-Veronafiere Outlook – will come with the new year and continue in 2017 with a slow re-alignment of growth in the construction field (880,000 units sold; +33% over 2015). In addition to mature markets such as **North America** and **Japan**, in Europe the main input comes, in order, from the **United Kingdom, Germany, France, Italy** and **Spain**. Among emerging countries, **India** takes first place, followed by **Latin America**.

As regards **Italy**, after continued acceleration in the last five quarters, Prometeia estimates a final figure for 2015 of 8500 new machines sold (+27%) which will rise to over 12,000 in 2017 (+44.8% compared to 2015).

The Samoter-Veronafiere Outlook also analyses the trend in the **construction sector**. Forecasts for **India** – one of the most dynamic markets for residential construction and civil engineering alike – suggest it should close 2015 at +5.6% of investments, climbing further to +6.9% in 2016 and +7.4% in 2017. **North America** is making tentative recovery, with an increase of 5% expected for 2016 and also 2017. **China** over the next two years, on the other hand, should stabilise at an average growth rate of 4%, while **Latin America** will only post positive figures (+4.1%) at the end of 2017 and will still suffer from ups and downs: while Brazil and Venezuela are down, the situation in Mexico, Argentina and Colombia is improving.

Estimates for **Western Europe** are more cautious: +2.2% in 2016 and +3% in 2017. Going into more detail for the "old continent", **Germany** in 2016 will be driven by non-residential construction, thanks to a three-year investment plan amounting to 15 billion euros. The **United Kingdom**, on the other hand, is ready to launch a national infrastructure plan worth 120 billion euros in the two-year period 2016-2017. Moving eastwards, **Russia** continues its negative performance, with reduced investments in all construction sectors: only as of 2017 will one see the first signs of growth, largely because of the onset of work worth 17 billion euros planned for the 2018 World Cup.

In **North Africa** and **the Middle East**, finally, there are business opportunities in Saudi Arabia, the UAE, Egypt and Iran.

On the **Italian** front, after the still negative closure expected for 2015 (-1.5%), positive figures will return in 2016 (+1.2%) and 2017 (+2.3%). In 2016, the new stability budget will give new impetus to investments in public works thanks to the release of 1 billion euros in the stability pact involving local councils, joined by 500 million euros for school buildings and a further 8 billion euros from the European investment plan for Italy.

Photo 1 SaMoTer Day – [Outlook presentation](#)

Photo 2 SaMoTer Day – [speakers at the Outlook presentation](#)

Photo 3 SaMoTer – [earth moving machines](#)

Photo 4 SaMoTer – [earth moving machines](#)

Photo 5 SaMoTer – [halls during the 2014 event](#)

Photo 6 SaMoTer - [outside areas during the 2014 edition](#)

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